

STATE OF IOWA
DEPARTMENT OF COMMERCE
UTILITIES BOARD

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| IN RE: MIDAMERICAN ENERGY COMPANY | DOCKET NO. RPU-94-3 |
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**DISSENT TO OCTOBER 28, 2002, ORDER GRANTING ONE-YEAR EXTENSION
OF INCENTIVE GAS SUPPLY PROCUREMENT PLAN**

(Issued October 29, 2002)

I must respectfully dissent from the decision made by my colleagues to deny the request made by MidAmerican Energy Company (MidAmerican) to extend its Incentive Gas Supply Procurement Program (IGSPP) for a two-year period, until October 31, 2004.

Unlike my colleagues, I am not concerned that MidAmerican will be unable to conduct arms-length transactions with its newly acquired interstate pipeline company, Northern Natural Gas Company (Northern). Between the discerning eyes of its major commercial competitors and the close scrutiny of utility regulators and consumer advocate offices, the company would be recklessly jeopardizing its reputation and market standing to employ unfair business practices in its procurement of gas supplies from a subsidiary. I have full faith and confidence in the review conducted by Iowa Utilities Board staff and the Office of Consumer Advocate in light of the

Northern acquisition by MidAmerican, and their subsequent recommendations to still go forward with the previously agreed-to IGSP two-year extension agreement.

/s/ Elliott Smith

ATTEST:

/s/ Judi K. Cooper
Executive Secretary

Dated at Des Moines, Iowa, this 29th day of October, 2002.